

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 90-299-C - ORDER NO. 90-660
JULY 11, 1990

IN RE:	Application of GTE South, Inc.)	ORDER DENYING
	for Prescription of New Schedules)	MOTION TO ALLOW
	of Depreciation Rate for South)	GTE SOUTH, INC.
	Carolina.)	AUTHORITY TO BOOK
)	DEPRECIATION RATES
)	ON AN INTERIM BASIS

This matter comes before the Public Service Commission of South Carolina (the Commission) by way of a Motion filed on behalf of GTE South, Inc. (GTE South) seeking authority to book depreciation rates on an interim basis. In support of its Motion, GTE South asserts that during the period of February 20-22, 1990, representatives of the Commission, the Federal Communications Commission (FCC), and the Company met in Tampa, Florida to review the Company's 1990 depreciation study and to agree upon appropriate depreciation parameters and rates. As a result of this "three-way meeting," the parties reached a mutual understanding as to the appropriate depreciation parameters and rates for the Company's plant investment in South Carolina. On March 23, 1990, the Company filed an Application with the Commission seeking approval of the depreciation rates previously agreed to in the "three-way meeting." The Company seeks to begin booking these depreciation rates effective July 1, 1990. This matter was noticed to the public and

a Petition to Intervene was filed on behalf of Steven W. Hamm, Consumer Advocate for the State of South Carolina (the Consumer Advocate). The Commission then set the Company's application for hearing.


GTE South alleges that it has sought and has been granted interim authority from the FCC to book these depreciation rates effective July 1, 1990. Accordingly, the Company will begin booking these new rates effective that date for interstate purposes. The Company requests this Commission to allow it to begin booking these new depreciation rates on July 1, 1990, to avoid having to maintain a duplicate set of accounting records for depreciation purposes. The Company seeks this interim authority only for that period of time between July 1, 1990, and the date the Commission enters its final Order in this Docket. The Company asserts that it will true up its accounting records to properly reflect the depreciation rates finally approved by the Commission, when the Commission renders its decision.

The Commission has considered the request of GTE South, Inc. and while appreciative of the administrative complications that may occur because of the time lapse between the date the depreciation rates are sought to be effective and the date of the Commission's final order in this matter, the Commission has no authority by law to approve depreciation rates on an interim basis. This matter has been set for hearing and other parties (e.g., the Consumer Advocate) have intervened in this matter. Until the opportunity for hearing is afforded the parties, the Commission may not approve

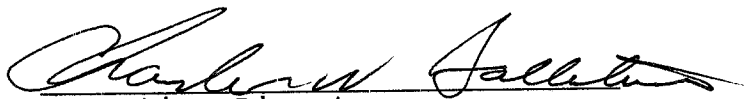
interim depreciation rates. The Commission may, however, when it renders its decision in this matter, ordered that the depreciation rates finally approved will be effective on and after July 1, 1990. Therefore, in light of the above, GTE South's Motion to book depreciation rates on an interim basis is hereby denied.

IT IS SO ORDERED.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)